



Improving Participation in the Medicare Savings Programs: Decisions on Recommendations for the June Report to Congress

**—
Medicaid and CHIP Payment and Access Commission**

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Overview

- Each option is intended to increase enrollment in the Medicare Savings Programs (MSPs) above low historical levels of participation and improve access to care
- Increasing enrollment generally increases federal and state spending

Policy Options

- Adopt Medicare Part D Low-Income Subsidy (LIS) program rules
- Administrative simplification
- Enrollment activities

Option 1: Require States to Use Medicare Part D LIS Rules for Income and Household Size

- Enables states to accept LIS application data transferred from the Social Security Administration (SSA) without re-verifying income or requiring additional income-related information from beneficiaries
- Requires changes to state MSP eligibility processes, allowed under current law in Section 1902(r)(2)

Option 2: Require States to Use Medicare Part D LIS Rules for Income, Household Size, and Assets

- Enables states to process LIS application data transferred from SSA without re-verifying income or assets or requiring additional income or asset-related information from beneficiaries
- Requires changes to state MSP eligibility processes, allowed under current law in Section 1902(r)(2)

Option 3: Consolidate MSPs

- Expand Qualified Medicare Beneficiary (QMB) program to 135% of federal poverty level
- Use LIS eligibility rules
- All MSP enrollees get cost sharing coverage (deductibles, coinsurance, copayments) in addition to premiums
- Funding options include 100% match, possibly with state clawback payments

Option 4: Redetermine Eligibility Every 36 Months

- Under current law, redeterminations must occur at least once every 12 months
- Longer redetermination period may be appropriate for population not likely to experience frequent changes in income
- Could be costly, due to reduced churn

Option 5: Require Use of Prepopulated Forms for Redeterminations

- Currently a state option; 5 states do so
 - Instead of requiring a brand new application, states send a form prepopulated with the beneficiary's information from last year and request any necessary updates

Option 6: Increase Outreach Funding

- MIPPA originally authorized funding for states to conduct outreach to eligible MSP beneficiaries
 - Funding has been extended every year and has roughly grown at the rate of inflation
- Increased funding would give states more resources to enroll eligible beneficiaries

Next Steps

- Commissioners will vote on recommendations and review draft chapter for June report at April meeting



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